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IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1945

NO. 771

STANLEY G. KLUMB,

Petitioner,

vs.

JOHN ROACH AND EDWIN B. H. TOWER, JR.,

Respondents.

REPLY BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

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INDEX

Page

Argument

I. The decison of the Circuit Court of Appeals for the Seventh Circuit results in a confused interpretation of Sec. 4915 which can be corrected only by this Court 2

II. This case is of great importance to the electric fence industry 8

Authorities Cited

Armstrong et al v. DeForest et al, 13 F. 2d 438, Cert. den. 273 U. S. 734, 47 S. Ct. 243, 71 L. Ed. 865..... 3

Nachod & United States Signal Co., Inc., et al v. Automatic Signal Corp., et al, 105 F. 2d 981..... 3

Robinson et al v. Wayne et al, 136 F. 2d 767; Cert. den. 64 S. Ct. 63, 320 U. S. 764; reh. den. 64 S. Ct. 156, 320 U. S. 812 4

Shell Development Co. v. Universal Oil Products Co., 61 F. Supp. 925; and on rehearing 63 F. Supp. 476 ..... 2, 6

Solomon v. Schlicker, 58 F. Supp. 444..... 5

United States v. Washington Institute of Technology, Inc., 47 F. Supp. 384; 138 F. 2d 25..... 4

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Respondents' Brief raises no valid argument against Petitioner's position. Hence, it is not the purpose of the Petitioner, in filing this Reply Brief, to burden this Honorable Court by refuting at length the several arguments presented in Respondents' Brief in Opposition.

It is believed, however, that a consideration of certain of Respondents' arguments will better enable this court to estimate the importance of this case, both in relation to its significance in the interpretation of Section 4915 R.S. (U.S.C. Title 35, Sec. 63) and from the standpoint of its effect upon the electric fence industry.

I.

The decision of the Circuit Court of Appeals for the Seventh Circuit results in a confused interpretation of Section 4915 which can be corrected only by a decision of this Court.

As the Petitioner's brief has already amply demonstrated, Sec. 4915 requires only that the bill be filed within six months of the decision of the Board of Patent Appeals. That this is the plain import of the statutory language is evident when the pertinent portion thereof is considered, even as it has been italicized in the Respondents' Brief (Page 2):

> " * * * May have remedy by bill in equity, *if filed within six months after such refusal or decision; and the court having cognizance thereof, on notice to adverse parties and other due proceedings had,* may adjudge * * * ."

Yet the Respondents contend (Respondents' Brief page 4) that:

> "The Revised Statutes Sec. 4915, that conferred jurisdiction upon the District Court, imposed upon Klumb, the plaintiff, the duty and obligation to make Tower a party to the suit before the statutory period expired."

This contention is the substance of the decision of the Circuit Court of Appeals for the Seventh Circuit.

The Respondents also cite, (Page 6 of Respondents' Brief), the recent case of *Shell Development Company v. Universal Oil Products Co.*, 63 F. Supp. 476, to this general effect. The Petitioner submits that the decisions in both the Shell case and the case at bar are the result of the misapplication of certain dicta to be found in the line of cases cited on Page 3 of Respondents' Brief. A brief analysis of these cases, taken in chronological order,

will readily demonstrate that there runs through them a line of dicta, resting upon an incorrect interpretation of the statute, which has been progressively distorted in order to arrive at these decisions.

> *Armstrong et al v. DeForest et al,* 13 F. 2d 438. Cert. den. 273 U.S. 734, 47 S.Ct. 243, 71 L. Ed. 865.

The Armstrong case holds only that an assignee of the inventor is an indispensable party to an action under Sec. 4915.

The case is, therefore, not in point since it is conceded that Tower is an indispensable party to this action.

> *Nachod & United States Signal Co., Inc., et al. v. Automatic Signal Corp., et al,* 105 F. 2d 981.

It is in the Nachod case, decided by the Circuit Court of Appeals for the Second Circuit, in 1939, that language first appears which may be interpreted to mean that the District Court must have acquired jurisdiction of all of the necessary parties to the action within six months.

In that case one of the defendants, a corporation, was domiciled outside the jurisdiction of the District Court and it, therefore, succeeded in having the case dismissed as against itself on this ground. The other defendant thereupon moved for dismissal on the ground that an indispensable party was not in the action.

In discussing the procedure which the plaintiff *might have* followed, the court made the following statement (P. 982):

> "* * * If the plaintiff had chosen to avail itself of the privilege granted by Title 35 U.S.C.A. Sec. 72a, it could have obtained jurisdiction over both

> the inventor and the licensee before the six months' statute of limitations created by Section 4915 had run."

Further on (P. 983), the court went on to use the language quoted in the decision of the case at bar by the Circuit Court of Appeals for the Seventh Circuit, (Opinion P. 13, 151 F. 2d at 380):

> "A hardship may arise in a case where a plaintiff suing under Section 4915 does not know of the existence of an exclusive license and therefore makes only the inventor a party-defendant for, as a result, his bill may be dismissed after it is too late to bring suit in the District of Columbia."
>
> *United States v. Washington Institute of Technology, Inc.*, 47 F. Supp. 384; 138 F. 2d 25.

In the Washington Institute case the plaintiff had neglected to join the inventor-assignor, an indispensable party, residing in another jurisdiction. In dismissing the action upon the defendant's motion, the District Court for the District of Delaware said (47 F. Supp. at 386):

> "* * * although the limitations have run on instituting an action in the District of Columbia court, under the facts of the case at bar, it cannot be said that the hardship was of defendant's making."

The court also cited with approval the second of the two quotations from the Nachod case set forth above. The decision was affirmed by the Circuit Court of Appeals of the Third Circuit, 138 F. 2d 25.

> *Robinson et al v. Wayne et al,* 136 F. 2d 767; Cert. den. 64 S.Ct. 63; 320 U.S. 764; reh. den. 64 S.Ct. 156, 320 U.S. 812.

The question in the Robinson case was whether certain parties who had been made defendants in the action

had sufficient adverse interests in the subject matter to warrant their being made defendants.

If they were not proper defendants in the suit, then the District Court of the District of Columbia had no jurisdiction of the case under Title 35 U.S.C. Sec. 72a, which grants that court jurisdiction in causes arising under Sec. 4915 when it appears that there are "adverse parties residing in a plurality of districts not embraced within the same state."

Concerning Sec. 72a the court said in the Robinson case:

> "Obviously, the purpose of the statute is to make jurisdiction dependent upon the situation which is revealed by the complaint."

The quoted language was cited by the Circuit Court of Appeals as applicable to the case at bar on the theory that the six months provision of Section 4915 R. S. was jurisdictional (Opinion, p. 7, 151 F. 2d at 377). The language quoted from the Robinson case, taken together with the dicta from the Nachod and Washington Institute cases quoted above, can conceivably lead to the conclusion which the Court of Appeals arrived at in the case at bar, provided the six months provision of Sec. 4915 *is* jurisdictional.

But Sec. 4915 cannot require that the complaint, i.e., the bill, show the necessary jurisdictional facts since the bill is not intended, of itself, to give the court jurisdiction of the case, as the Petitioner has already amply demonstrated.

Solomon v. Schlicker, 58 F. Supp. 444.

Again in the Solomon case an indispensable party had been left out of the action, and the case was dismissed upon the defendant's motion for this reason.

The dicta of the Nachod case set forth above was given a slight twist in the Solomon case when the court stated, again by way of dicta, that:

> " * * * in the six months limitation allowed the plaintiff in which to bring this suit * * * there remained ample time in which to obtain discovery as to an indispensable party in order to avoid the hardship which might result in the absence of such a party". (P. 445)

It is to be noted, however, that the plaintiff in the Solomon case was already out of court inasmuch as a proper motion for dismissal had been made and granted. It was then too late for him to commence another action against all of the necessary parties. Unless, therefore, the language quoted from that case is to be considered a misinterpretation of Section 4915 R.S., it can be read only as purely gratuitous advice to the plaintiff therein.

> *Shell Development Company v. Universal Oil Products Co.*, 61 F. Supp. 925; and on rehearing 63 F. Supp. 476.

The recent Shell case culminates the development which began with the Nachod case.

Again the plaintiff had neglected to bring certain indispensable parties into the action, among them Anglo Iranian Oil Co, Ltd. The defendant moved for dismissal. Anglo Iranian then purported to enter its voluntary appearance after the six months period had expired. In dismissing the action, the District Court for the District of Delaware based its decision upon the fact that other indispensable parties had not been brought into the action, but expressed doubt that a waiver by a party in a federal district court could cure a *jurisdictional* defect.

Thereafter the other parties, Standard Oil Development Company and Texaco Development Company, filed pleadings wherein both voluntarily appeared in the action, submitting themselves to the jurisdiction of the court and seeking to be made parties-defendant.

The plaintiff filed its petition for rehearing on the ground that by such voluntary appearances all indispensable parties had been brought into the action.

In its decision upon the motion for rehearing (63 F. Supp. 476) the court cited Klumb v. Roach, the case at bar, and denied the plaintiff's motion. The grounds for this denial were expressed in the following language:

> "If the requirements of the statute are jurisdictional (which they obviously are), voluntary appearances cannot cure a failure to comply with the statute."

The Petitioner respectfully submits that it is by no means obvious that the six months limitation of the statute is jurisdictional, except insofar as the time for *filing the bill* is concerned.

Thus, certain language in the Nachod case has been separated from its context and read upon a set of facts to which it was never meant to apply. By progressively warping the dicta of a line of subsequent decisions, the plain language of Section 4915 R. S. has been so completely distorted that a person reading the section for the first time could not arrive at the interpretation now placed upon it by the courts, and it remains for this Court to restore to Sec. 4915 the meaning intended by its framers.

II.

The Respondents' Brief in Opposition cites seven manufacturers of electrical fences who are purportedly outside of the Seventh Judicial Circuit. Actually, the Electric Fence Company, Inc. of Indianapolis, Indiana is within the Seventh Circuit as a glance at a map of the Circuit will readily show.

The other six manufacturers are of negligible importance in the field. Moreover, those of the listed manufacturers of electric fence equipment who are located outside the Seventh Circuit, and who actually manufacture fence controllers, produce a type of controller quite different in principle from the condenser discharge controller which forms the subject matter of this litigation.

The petitioner's position therefore remains unchallenged by Respondents. This case is of great importance to the electric fence industry, and that industry is so concentrated in the Seventh Circuit that litigation in other circuits, resulting in a conflict of opinions, is unlikely.

Respectfully submitted,

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